

VZCZCXYZ0000  
PP RUEHWEB

DE RUEHTV #0854/01 1041011  
ZNR UUUUU ZZH  
P 141011Z APR 09  
FM AMEMBASSY TEL AVIV  
TO RUEHC/SECSTATE WASHDC PRIORITY 1406  
RHEHAAA/WHITE HOUSE WASHDC PRIORITY  
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEKJCS/SECDEF WASHDC PRIORITY  
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY  
RUEADWD/DA WASHDC PRIORITY  
RHMFIUU/CNO WASHINGTON DC PRIORITY  
RHEFDIA/DIA WASHINGTON DC PRIORITY  
RUEKJCS/JOINT STAFF WASHDC PRIORITY  
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 5288  
RUEHAS/AMEMBASSY ALGIERS PRIORITY 1880  
RUEHAM/AMEMBASSY AMMAN PRIORITY 5801  
RUEHAK/AMEMBASSY ANKARA PRIORITY 6099  
RUEHLB/AMEMBASSY BEIRUT PRIORITY 5326  
RUEHEG/AMEMBASSY CAIRO PRIORITY 3848  
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 6141  
RUEHLO/AMEMBASSY LONDON PRIORITY 2954  
RUEHFR/AMEMBASSY PARIS PRIORITY 1162  
RUEHRB/AMEMBASSY RABAT PRIORITY 9869  
RUEHRO/AMEMBASSY ROME PRIORITY 7374  
RUEHRH/AMEMBASSY RIYADH PRIORITY 2338  
RUEHTU/AMEMBASSY TUNIS PRIORITY 6372  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 8415  
RUEHJI/AMCONSUL JEDDAH PRIORITY 1199  
RUEHJM/AMCONSUL JERUSALEM PRIORITY 1834  
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY  
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY  
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 000854

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA  
HQ USAF FOR XOX  
DA WASHDC FOR SASA  
JOINT STAFF WASHDC FOR PA  
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD  
LONDON ALSO FOR HKANONA AND POL  
PARIS ALSO FOR POL  
ROME FOR MFO

SIPDIS  
E.O. 12958: N/A  
TAGS: OPRC KMDR IS  
SUBJECT: ISRAEL MEDIA REACTION

Please note: The Israel Media Reaction report will not appear on Wednesday, April 15, due to the second Passover holiday.

-----  
SUBJECTS COVERED IN THIS REPORT:  
-----

- 11. Mideast
- 12. U.S.-Israel Relations

-----  
Key stories in the media:  
-----

Maariv cited tension among Israeli diplomatic sources regarding the

upcoming visit of U.S. special envoy to the Middle East George Mitchell, following the argument between the two countries over the notion of a two-state solution. Maariv reported that PM Benjamin Netanyahu views this meeting with Mitchell as a preparatory meeting before his May 4 meeting with President Obama. Maariv quoted a Netanyahu adviser as saying that Netanyahu is interested in a Qstrong [Keith] Dayton and a [Tony] Blair on steroids, Q i.e., strengthening the PAQs security forces and economy, in line with his Qeconomic peaceQ outlook.

The Jerusalem Post reported that the U.S. decision to begin negotiations with Tehran is likely to come up during discussions later this week with Mitchell, with Israel expected to urge the U.S. to set a short time limit for the talks. The Jerusalem Post reported that on Friday, Zalman Shoval, a top foreign policy adviser in Netanyahu's transition team, told a group of some 40 ambassadors that Netanyahu's position regarding U.S. engagement with Iran was one of acquiescence, even though he held out little hope for success. However, Shoval was quoted as saying, the feeling in the Netanyahu camp was that it was important for there to be a definite time limit, otherwise the Iranians would continue with their nuclear program, even as the talks continued. Shoval was quoted as saying that while Israel was in favor of a short period, something along the line of two months, there were voices in the U.S. advocating more time. Shoval reportedly said that it would be a mistake if the talks were postponed until after June's elections in Iran, and then until a new government there was formed, because that would merely buy the Iranians that much more time. This morning Israel Radio quoted the New York Times as saying that the U.S. might give up its demand that Iran stop enriching uranium before starting the bilateral talks.

Maariv reported that on Friday Deputy Russian FM Alexander Saltanov will meet with FM Avigdor Lieberman. The newspaper said that Saltanov expects to get an official, final answer regarding IsraelQs participation in the peace conference Moscow plans to hold in the second half of this year, which will focus on the Israeli-Palestinian conflict. Media said that it is in effect a continuation of the Annapolis Conference. Maariv quoted diplomatic sources in Jerusalem as saying that Lieberman is expected to accept RussiaQs invitation.

HaQaretz reported that Philippe Vasset, editor of Intelligence Online, told the newspaper yesterday that foreign intelligence services -- including the CIA and Israel's Mossad -- provided Egyptian authorities with intelligence that contributed to the uncovering of a Hizbulah-run terrorist ring and led to the arrest of dozens of suspects. Meanwhile, HaQaretz reported that yesterday Egyptian sources upped the tone of the charges against Hizbulah by claiming that the aim of the underground activity was not limited to plans for terrorist attacks against tourist areas frequented by foreigners, but also against targets in the Suez Canal. Yediot quoted an Egyptian source as saying that the ring had targeted Eilat. The media quoted President Peres as saying yesterday: QThey [Arabs] are quarreling without us; this is a good thing.Q The Jerusalem Post also quoted Peres as saying: QSooner or later, the world will realize that Iran wishes to take over the Middle East and that it has colonial ambitions.

The Jerusalem Post reported that, in the face of Iran's continued pursuit of nuclear capability, Israel and the U.S. will hold an unprecedented and massive exercise later this year to jointly test three different ballistic missile defense systems. The exercise -- the latest Juniper Cobra maneuver -- will be held in Israel and will include the newly developed Arrow 2, as well as America's THAAD (Terminal High Altitude Area Defense) and the ship-based Aegis Ballistic Missile Defense System. The upcoming exercise is planned to be the most complex and extensive yet. News of the scheduled exercise was revealed in testimony Missile Defense Agency director Lt.-Gen. Patrick J. O'Reilly gave to the House Appropriations Committee's subcommittee on defense earlier this month. Israeli defense officials were quoted as saying yesterday that the purpose of the exercise was to create the necessary infrastructure that would enable interoperability between Israeli and American BMD systems in case the US decided to deploy these systems here in the event of a conflict with Iran, like it did ahead of the Gulf War in Iraq in 1991.

The Jerusalem Post quoted diplomatic sources as saying that the U.S. is likely to wait until the last moment before deciding whether to hold to its original decision to withdraw from the UNQs anti-racist conference (QDurban 2Q), which opens this coming Monday in Geneva.

Israel Radio quoted Lebanese media as saying that a former Lebanese Army officer was arrested in Beirut. He confessed to having collaborated with Israel for over a decade.

HaQaretz and Maariv reported that Kazakhstan's Deputy Defense Minister Khazimurat Mayermanov was arrested yesterday as local security service KNB issued a public statement accusing several other senior officers and officials in the ministry of purchasing flawed military equipment from Israel. Mayermanov is reportedly suspected of accepting bribes in his position as responsible for weapon purchases for the state. Israeli businessman Boris Sheinkman, a former Soviet army colonel and an agent of Israeli defense firms Soltam and Israel Military Industries, was arrested in Kazakhstan several weeks ago.

Leading media reported that incoming Public Security Minister Yitzhak Aharonovitch (Yisrael Beiteinu) has named Maj. Gen. Uri Bar-Lev Israel Police representative in Washington. The move follows disputes between Bar-Lev and the police's top brass, and threats of his dismissal from the force.

-----  
**II. Mideast:**  
-----

Summary:  
-----

Conservative international Jewish leader Isi Leibler wrote in the conservative, independent Jerusalem Post: QNetanyahu understands the U.S. and is better equipped to negotiate a realistic accommodation with Obama than any other Israeli politician.... Still, to retain credibility and be able to ... avoid needless confrontations or diversions into counterproductive debates over a currently inconceivable two-state solution.

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote on page one of the independent, left-leaning HaQaretz: QIn Israel's eyes, a high-profile confrontation between Egypt, Iran, and Hezbollah is good news. But even now, it is best to keep in mind that Egypt is hardly working in Jerusalem's best interest.

Military correspondent Yaakov Katz wrote in The Jerusalem Post: QWhat is just as worrying [as attacks on Israeli targets in the Sinai], or possibly even more so, are the cell's plans to attack the regime and undermine President Hosni Mubarak's hold over Egypt.

Author and former staffer Daniel Gavron wrote in The Jerusalem Post: QAfter four years of Bibi-Barak, Israelis might well be ready to vote for a party that combines a genuine drive for peace with socially responsible economic policies.

Block Quotes:  
-----

**II. QNetanyahu and the Two-State Solution**

Conservative international Jewish leader Isi Leibler wrote in the conservative, independent Jerusalem Post (4/14): QPresident Barack Obama has yet to fully show his hand, but his policy of engaging with jihadists is likely to encourage efforts to pressure Israel into additional unilateral concessions to the Arabs that will need to be vigorously resisted. Much will depend on our prime minister's ability to maximize the objectives we share in common and set aside the rhetoric and differences over inconsequential issues. This applies above all to the recent brouhaha over the two-state

solution.... Instead of becoming involved in provocative arguments over a two-state solution, we should be urging those who criticize the Netanyahu government to take account of the criminality and cult of martyrdom which to this day dominates Palestinian society, and should be insisting that it is high time that Mahmoud Abbas and his associates begin demonstrating a willingness to live side by side with a Jewish state.... Netanyahu understands the U.S. and is better equipped to negotiate a realistic accommodation with Obama than any other Israeli politician. He can be relied upon to show flexibility, but unlike his predecessors will refuse to compromise the nation's basic security. Still, to retain credibility and be able to adopt an effective approach to the major issues confronting us, including the existential threat posed by a nuclear Iran, he must avoid needless confrontations or diversions into counterproductive debates over a currently inconceivable two-state solution.

## II. "Lines in the Sand"

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote on page one of the independent, left-leaning HaQaretz (4/14): One possible explanation for Hizballah's actions is that its leader became a victim of his own hubris. After blatantly intervening in Palestinian affairs, he took de facto control of Lebanon and openly threatened Egypt during Israel's Gaza offensive for supposedly siding with the Zionist enemy. Perhaps he erred in believing he could go toe-to-toe with Mubarak, and even hoped the move would bolster support of his organization ahead of Lebanese elections in two months.... In Israel's eyes, a high-profile confrontation between Egypt, Iran, and Hizballah is good news. But even now, it is best to keep in mind that Egypt is hardly working in Jerusalem's best interest. Egypt's rage at Nasrallah will not necessarily translate into comprehensive steps against weapons smuggling to Gaza, or to warmer relations with Israel.

## III. QIranian Threat to Egypt is Nothing New -Q But the Tactics May Be Changing

Military correspondent Yaakov Katz wrote in The Jerusalem Post (4/14): Officially, the Israeli political and defense establishment is keeping quiet, and except for President Shimon Peres's statement on Monday that it is good that others are fighting and not Israel, no one is speaking publicly about what is happening to Israel's south. Behind closed doors, and when speaking off the record, though, defense officials are rubbing their hands with glee since the news coming out of Cairo in recent days is an important demonstration to the world that the threat posed by a nuclear Iran and its proxy Hizballah is not just to Israel but to the entire Middle East and specifically the most populous Arab country - Egypt.... While the Egyptian intelligence agencies have impressive capabilities, they are perceived to be mostly applicable to events inside Egypt, not overseas. Israel as well as other Western countries could help Egypt fill that void. If that happened in this case, we will likely not immediately know. While Jerusalem is concerned that Hizballah terrorist cells are operating in Egypt to strike at Israeli vacationers, what is just as worrying, or possibly even more so, are the cell's plans to attack the regime and undermine President Hosni Mubarak's hold over Egypt. If Mubarak is assassinated or his government falls, Israel could find itself facing an Egyptian military consisting of US-made Abrams Tanks, Apache Helicopters, F-16 fighter jets and Harpoon Missiles in the hands of the radical Muslim Brotherhood, the official founding father of Hamas.

## IV. "Chance for an Inclusive Israeli Left"

Author and former staffer Daniel Gavron wrote in The Jerusalem Post (4/14): The early demise of the new government of Benjamin (Bibi) Netanyahu is being confidently predicted in the media. I disagree. I think it will survive for quite long -- maybe even the whole four years. Bibi has artfully constructed an almost indestructible administration, locked together by the self-interest of the parties that make it up. Moreover, he will be careful not to rock the boat.

He is unlikely to launch daring peace initiatives. He is even less likely to make war with the Palestinians, Iran, or anyone else. He has enlisted Defense Minister Ehud Barak for that very purpose. It

is no secret that Barak was the main force holding back the decision to go to war in Gaza recently. Caution is Barak's middle name, and his military record can be counted on to neutralize the screams of frustration on the part of those of us thirsty for battle.... After four years of Bibi-Barak, Israelis might well be ready to vote for a party that combines a genuine drive for peace with socially responsible economic policies. Even if this is not the case, and the present government retains its popularity, there should be an alternative for the future. The creation of a new, attractive, left-wing party is not only important to those of us with liberal dovish views. It is in the interest of Israeli democracy as a whole.

-----  
12. U.S.-Israel Relations:  
-----

Summary:  
-----

Senior columnist and longtime dove Yoel Marcus wrote in the independent, left-leaning Ha'aretz: QIsrael's leaders take as a given that relations with the U.S. are symmetrical. They are not. Bibi himself believes that this is a different America, a president with a different agenda, and he knows he will have to act differently.

Block Quotes:  
-----

"Life with Obama"

Senior columnist and longtime dove Yoel Marcus wrote in the independent, left-leaning Ha'aretz (4/14): QFor years, U.S.-Israeli dialogue has gone beyond what is reflected in the media. The Obama administration has doubtless made clear to us that the two-state track is the key to the solution of the Israeli-Palestinian conflict. These are the facts of life. Either you continue with the American plan or you come out against it, and then we will have to get along in an extremist Islamic world, with America and the European Union against us. As the saying goes, if you're not at the table, you're on the menu. Israel's leaders take as a given that relations with the U.S. are symmetrical. They are not. Bibi himself believes that this is a different America, a president with a different agenda, and he knows he will have to act differently.... It can be said that terror seized us when Obama announced a solution to the Iranian issue through dialogue, and Iran agreed. See again how QBibi's people,Q who did not open their mouths about Annapolis, provided HaQaretz with the major headline that Israel does not oppose multilateral dialogue between the West and Iran. First of all, who asked us whether we agree or not? Second, what is behind this generous pronouncement? Only a few days ago, Maariv reported that Bibi had met with the heads of the security establishment and was very pleased with the plans to attack Iran. What about our diplomatic solution?.... [Anyway,] the destruction of Iran's nuclear power is a task too big for us.

CUNNINGHAM